

AMENDED IN ASSEMBLY MAY 28, 2010

AMENDED IN ASSEMBLY APRIL 27, 2010

AMENDED IN ASSEMBLY APRIL 6, 2010

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

## **ASSEMBLY BILL**

**No. 1815**

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**Introduced by Assembly Member Emmerson**

February 11, 2010

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An act to amend Sections 5157 and 5159 of, and to add Section 5156.1 to, the Vehicle Code, relating to vehicles, and making an appropriation therefor.

### LEGISLATIVE COUNSEL'S DIGEST

AB 1815, as amended, Emmerson. Vehicles: special interest license plates: NASCAR.

Existing law authorizes private organizations to apply to the Department of Motor Vehicles for participation in special interest license plate programs authorized by legislation in which the department issues license plates with a participating organization's distinctive design, decal, or descriptive message and specifies the design criteria for the special license plate. Existing law requires that the organization collect and receive a minimum of 7,500 applications and fees for the special interest license plates from the date of the enactment of the legislation authorizing the special interest license plate. Existing law permits any individual to apply for an organization's special interest license plate.

Existing law also authorizes a state agency to apply to the Department of Motor Vehicles to sponsor a specialized license plate program and requires the department to issue the specialized license plates for the program if the state agency complies with specified requirements.

This bill would authorize the Bureau of Automotive Repair (bureau) to apply to the department to sponsor a program for a series of specialized NASCAR license plates that bear emblems, seals, or other symbols or designs displaying themes of professional stock car auto racing, or professional stock car auto racing drivers. The bill would require the department to issue the specialized plates if the bureau complies with existing requirements applicable to specialized license plate programs. The bill would require that the design of each specialty plate in the series be approved by the department and the Department of the California Highway Patrol.

The bill would authorize the department and the bureau to contract with 3rd-party vendors or the Prison Industry Authority for the manufacture, processing, and distribution of the specialized NASCAR license plates. The bill would specify that the fee for the original issuance of the specialized license plates be \$60, and, for the renewal of registration with the plates, the fee would be \$50. The bill would also require that these fees be distributed no less frequently than each quarter annually to the department and the bureau in specified amounts.

By requiring that the fees for the original issuance and the renewal of a plate be distributed directly to the department and the bureau, the bill would make a continuous appropriation of these funds.

Vote: majority. Appropriation: yes. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 5156.1 is added to the Vehicle Code, to  
2     read:  
3     5156.1. (a) (1) Notwithstanding Sections 5154, 5155, and  
4     5156, the Bureau of Automotive Repair, on behalf of the High  
5     Polluter Repair or Removal Account established by Article 9  
6     (commencing with Section 44090) of Chapter 5 of Part 5 of  
7     Division 26 of the Health and Safety Code, may apply to the  
8     department to sponsor a program for a series of officially licensed  
9     National Association for Stock Car Auto Racing (NASCAR)  
10    driver-specialized license plates, and the department shall issue,  
11    or cause to be issued, specialized plates for that program, if the  
12    Bureau of Automotive Repair complies with the requirements of  
13    this article. This series of plates may bear emblems, seals, or other  
14    symbols or designs displaying themes of professional stock car

1 auto racing, or professional stock car auto racing drivers. The  
2 design of each specialty plate in the series shall be approved by  
3 the department and the Department of the California Highway  
4 Patrol.

5 (2) The department shall not issue specialized license plates for  
6 a vehicle that is exempt from the payment of registration fees  
7 pursuant to Section 9101 or 9103.

8 (b) The department shall not establish this program until the  
9 department has received not less than 7,500 applications for the  
10 bureau's specialized license plates. The bureau shall collect and  
11 hold applications for the plates. Once the bureau has received at  
12 least 7,500 applications, it shall submit the applications, along  
13 with the necessary fees, to the department. The department shall  
14 not issue a specialized license plate until the bureau has received  
15 and submitted to the department not less than 7,500 applications  
16 for this specialized license plate within the time period prescribed  
17 in this section.

18 (c) Notwithstanding Section 4850, the department and the  
19 Bureau of Automotive Repair may contract with third-party  
20 vendors or the Prison Industry Authority for the manufacture,  
21 processing, and distribution of specialty license plates produced  
22 pursuant to this section.

23 (d) The department shall cause to be issued any plate in this  
24 series without a minimum number of applications for a specific  
25 design.

26 (e) (1) If, five years after the program is established, the number  
27 of outstanding and valid specialized plates in this program is less  
28 than 7,500, the department shall notify the Bureau of Automotive  
29 Repair and shall inform the bureau that if the number is less than  
30 7,500 one year from the date of that notification, the department  
31 will no longer issue or replace plates created under this program.

32 (2) Any plates issued prior to the discontinuation of the program,  
33 as provided in paragraph (1), may continue to be used and attached  
34 to the vehicle for which they were issued and may be renewed,  
35 retained, or transferred pursuant to this code.

36 SEC. 2. Section 5157 of the Vehicle Code is amended to read:

37 5157. (a) In addition to the regular fees for an original  
38 registration or renewal of registration, the following additional  
39 fees shall be paid for the issuance, renewal, or transfer of the  
40 specialized license plates:

1 (1) For the original issuance of the plates, fifty dollars (\$50).

2 (2) For a renewal of registration with the plates, forty dollars  
3 (\$40).

4 (3) For transfer of the plates to another vehicle, fifteen dollars  
5 (\$15).

6 (4) For each substitute replacement plate, thirty-five dollars  
7 (\$35).

8 (5) In addition, for the issuance of environmental license plates,  
9 as defined in Section 5103, with a specialized license plate design,  
10 the additional fees prescribed in Sections 5106 and 5108. The  
11 additional fees prescribed in Sections 5106 and 5108 shall be  
12 deposited in the California Environmental License Plate Fund.

13 (6) Notwithstanding paragraphs (1) and (2), for the original  
14 issuance of specialized license plates pursuant to Section 5156.1,  
15 sixty dollars (\$60), and for the renewal of registration with the  
16 plates, fifty dollars (\$50).

17 (b) The Gold Star Family specialized license plate program as  
18 provided in subdivision (d) of Section 5156 shall not be subject  
19 to the fees specified in paragraphs (1), (2), and (5) of subdivision  
20 (a) and shall only be issued in a sequential series.

21 (c) Except as provided in paragraphs (5) and (6) of subdivision  
22 (a) and subdivisions (b), (c), and (d) of Section 5159, and after  
23 deducting its administrative costs under this section, the department  
24 shall deposit the additional revenue derived from the issuance,  
25 renewal, transfer, and substitution of the specialized license plates  
26 in the Specialized License Plate Fund, which is hereby established  
27 in the State Treasury. Upon appropriation by the Legislature, the  
28 moneys in that fund shall be allocated to each sponsoring agency,  
29 in proportion to the amount in the fund that is attributable to the  
30 agency's specialized license plate program. Except as authorized  
31 under Section 5159, the sponsoring agency shall expend all funds  
32 received under this section exclusively for projects and programs  
33 that promote the state agency's official policy, mission, or work.

34 (d) (1) The Department of Veterans Affairs may actively request  
35 and receive donations for the Gold Star Family License Plate  
36 Account which is hereby created in the Specialized License Plate  
37 Fund and which may consist of donations from public and private  
38 entities. Earnings generated by the Gold Star Family License Plate  
39 Account shall be retained by the account.

(2) Upon the determination of the department that there are sufficient funds in the Gold Star Family License Plate Account for this purpose, moneys in the Gold Star Family License Plate Account shall be available, upon appropriation by the Legislature, to the department for the necessary administrative costs of establishing the Gold Star Family specialized license plate program.

SEC. 3. Section 5159 of the Vehicle Code is amended to read:

5159. (a) Except as provided in subdivisions (b), (c), and (d), a state agency that is eligible to participate in a specialized license plate program pursuant to this article and receives funds from the additional fees collected from the sale of specialized plates shall not expend annually more than 25 percent of those funds on administrative costs, marketing, or other promotional activities associated with encouraging application for, or renewal of, the specialized plates.

(b) Funds collected by the department from the original issuance fees from the sale of specialized license plates established pursuant to Section 5156.1 shall be distributed no less frequently than each quarter annually, as follows:

(1) To the department, eight dollars (\$8).

(2) To the Bureau of Automotive Repair's High Polluter Repair or Removal Account, fifty-two dollars (\$52).

(c) Funds collected by the department from renewal fees from the specialized license plate program established pursuant to Section 5156.1 shall be distributed no less frequently than each quarter annually, as follows:

(1) To the department, eight dollars (\$8).

(2) To the Bureau of Automotive Repair's High Polluter Repair or Removal Account, forty-two dollars (\$42).

~~(d) Subdivision (e) of Section 5156.1 does not authorize the Bureau of Automotive Repair to contract with third parties, or otherwise take action, to secure licensing rights for emblems, seals, or other auto racing symbols or designs displaying themes of professional stock car auto racing, or professional stock car auto racing drivers, in order to use those images on specialized license plates.~~

*(d) (1) The Bureau of Automotive Repair shall secure license rights for emblems, seals, or other auto racing symbols or designs displaying themes of professional stock car auto racing, or professional stock car auto racing drivers, for use on specialized*

1 *license plates authorized by Section 5156.1. However, the Bureau*  
2 *of Automotive Repair shall not pay, nor provide any monetary*  
3 *compensation, for those license rights.*

4 (2) (A) *The terms of the license rights shall hold the state*  
5 *harmless and indemnify the state from all losses, costs, expenses,*  
6 *including reasonable attorneys' fees, claims, demands, liabilities,*  
7 *causes of action, and damages, arising out of the unauthorized*  
8 *use or infringement of a trademark, service mark, copyright, patent,*  
9 *method, device, or other proprietary right, in connection with the*  
10 *issuance of those specialized license plates.*

11 (B) *The Bureau of Automotive Repair may require the hold*  
12 *harmless and indemnity agreements to be supported by policies*  
13 *of commercial general liability insurance in amounts, and by*  
14 *insurance companies, that are acceptable to the bureau.*